

SENATE BILL 882

L1, Q3

2lr3023
CF HB 215

By: ~~Senator Jones-Rodwell~~

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 1, 2012

CHAPTER _____

1 AN ACT concerning

2 ~~Local Government~~ Baltimore City – Investment in Our Youth (IO-YOuth)
3 ~~Programs~~ Pilot Program

4 FOR the purpose of ~~authorizing a county to establish an Investment in Our Youth~~
5 ~~(IO-YOuth) Program; specifying the purpose of the Program; requiring a~~
6 ~~county that establishes a Program to establish a committee to carry out the~~
7 ~~Program; specifying that a nonprofit organization must meet certain~~
8 ~~requirements to be eligible for a grant from a Program; prohibiting a nonprofit~~
9 ~~organization that receives a grant from a Program from using the grant for~~
10 ~~certain purposes; requiring a county that establishes a Program to establish a~~
11 ~~special fund that is to be used to fund the Program; specifying that the Program~~
12 ~~is to be funded by certain funds and donations; providing that certain funds~~
13 ~~may be used only for funding the Program; authorizing an employer to make a~~
14 ~~deduction from the wage of an employee, under certain circumstances, for the~~
15 ~~benefit of a Program; requiring that a certain written request include certain~~
16 ~~information; requiring certain employers to pay certain funds to the~~
17 ~~Comptroller; requiring the Comptroller to distribute to the counties certain~~
18 ~~funds at certain times; requiring a county that receives certain funds to pay the~~
19 ~~funds into a certain special fund; specifying the amount of funds distributed to a~~
20 ~~county under a certain provision of this Act; requiring the Comptroller to~~
21 ~~distribute, at certain times, a certain amount of certain funds to an~~
22 ~~administrative cost account; allowing an individual or a corporation a~~
23 ~~subtraction modification under the Maryland income tax equal to the amount of~~
24 ~~a donation to a Program if the donation is not allowed as a deduction under the~~
25 ~~federal income tax; providing for the construction of a certain provision of this~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~Act; providing for the application of certain provisions of this Act; defining certain terms; authorizing the Mayor and City Council of Baltimore to establish an Investment in Our Youth (IO-YOUth) Pilot Program; providing that the Program must be established as a qualified organization eligible to receive certain contributions under a certain provision of federal law; specifying the purpose of the Program; requiring the Program to provide summer jobs for certain youths by hiring them to work for the City of Baltimore or by providing grants to certain nonprofit organizations that will provide summer jobs; requiring the Mayor and City Council of Baltimore to establish a committee to carry out the Program; requiring the Mayor and City Council of Baltimore to establish a certain procedure for the disposition of certain funds remaining in the Program under certain circumstances; specifying that a nonprofit organization must meet certain requirements to be eligible for a grant from a Program; prohibiting a nonprofit organization that receives a grant from a Program from using the grant for certain purposes; requiring the Mayor and City Council of Baltimore to establish a special fund that is to be used to fund the Program; specifying that the Program is to be funded by certain funds and donations; providing that certain funds may be used only for funding the Program; authorizing an employer to make a deduction from the wage of an employee, under certain circumstances, for the benefit of a Program; requiring that a certain written request include certain information; requiring certain employers to distribute to the City of Baltimore certain funds at certain times; requiring certain employers to report certain information to the City of Baltimore at certain times; requiring the Mayor and City Council of Baltimore to pay the funds into a certain special fund; specifying the amount of funds distributed to the City of Baltimore under a certain provision of this Act; authorizing the City of Baltimore to receive certain direct donations for the benefit of a Program; requiring the City of Baltimore to provide certain receipts to certain persons; providing for the construction of a certain provision of this Act; defining certain terms; providing for the termination of this Act; and generally relating to Investment in Our Youth (IO-YOUth) Programs.~~

~~BY adding to~~

~~Article 24 — Political Subdivisions — Miscellaneous Provisions~~

~~Section 25-101 through 25-104 to be under the new title “Title 25. Investment in Our Youth (IO-YOUth) Programs”~~

~~Annotated Code of Maryland
(2011 Replacement Volume)~~

~~BY repealing and reenacting, without amendments,~~

~~Article — Tax — General~~

~~Section 10-208(a) and 10-308(a)~~

~~Annotated Code of Maryland~~

~~(2010 Replacement Volume and 2011 Supplement)~~

~~BY adding to~~

~~Article — Tax — General~~

1 ~~Section 10-208(r)~~
 2 ~~Annotated Code of Maryland~~
 3 ~~(2010 Replacement Volume and 2011 Supplement)~~

4 ~~BY repealing and reenacting, with amendments,~~
 5 ~~Article Tax General~~
 6 ~~Section 10-308(b)~~
 7 ~~Annotated Code of Maryland~~
 8 ~~(2010 Replacement Volume and 2011 Supplement)~~

9 BY adding to
 10 The Charter of Baltimore City
 11 Article II – General Powers
 12 Section (67)
 13 (2007 Replacement Volume, as amended)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 15 MARYLAND, That the Laws of Maryland read as follows:

16 ~~Article 24 – Political Subdivisions – Miscellaneous Provisions~~

17 ~~TITLE 25. INVESTMENT IN OUR YOUTH (IO YOUTH) PROGRAMS.~~

18 ~~25-101.~~

19 ~~(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS~~
 20 ~~INDICATED.~~

21 ~~(B) “COMPROLLER” MEANS THE STATE COMPROLLER.~~

22 ~~(C) “EMPLOYER” MEANS:~~

23 ~~(1) A PERSON ENGAGED IN A BUSINESS, AN INDUSTRY, A~~
 24 ~~PROFESSION, A TRADE, OR OTHER ENTERPRISE IN THE STATE;~~

25 ~~(2) THE STATE AND ITS UNITS;~~

26 ~~(3) A COUNTY AND ITS UNITS; OR~~

27 ~~(4) A MUNICIPAL GOVERNMENT IN THE STATE.~~

28 ~~(D) “PROGRAM” MEANS AN INVESTMENT IN OUR YOUTH (IO YOUTH)~~
 29 ~~PROGRAM.~~

30 ~~(E) “SUMMER” MEANS THE PERIOD FROM JUNE 1 TO SEPTEMBER 30,~~
 31 ~~INCLUSIVE, OF EACH YEAR.~~

1 ~~25-102.~~

2 ~~(A) A COUNTY MAY ESTABLISH AN INVESTMENT IN OUR YOUTH~~
3 ~~(10 YOUTH) PROGRAM.~~

4 ~~(B) THE PURPOSE OF A PROGRAM IS TO PROVIDE GRANTS TO~~
5 ~~NONPROFIT ORGANIZATIONS TO PROVIDE SUMMER JOBS FOR YOUTHS WHO ARE~~
6 ~~AT LEAST 14 YEARS OLD AND NOT MORE THAN 18 YEARS OLD.~~

7 ~~(C) A COUNTY THAT ESTABLISHES A PROGRAM SHALL ESTABLISH A~~
8 ~~COMMITTEE TO CARRY OUT THE PROGRAM.~~

9 ~~(D) TO BE ELIGIBLE FOR A GRANT FROM A COUNTY'S PROGRAM, A~~
10 ~~NONPROFIT ORGANIZATION SHALL:~~

11 ~~(1) OPERATE WITHIN THE COUNTY; AND~~

12 ~~(2) MEET ANY OTHER REQUIREMENT ESTABLISHED UNDER THE~~
13 ~~PROGRAM.~~

14 ~~(E) A NONPROFIT ORGANIZATION THAT RECEIVES A GRANT FROM A~~
15 ~~PROGRAM MAY NOT USE THE GRANT TO:~~

16 ~~(1) EMPLOY YOUTHS WHO DO NOT RESIDE IN THE COUNTY; OR~~

17 ~~(2) PROVIDE JOBS AT SITES THAT ARE LOCATED OUTSIDE OF THE~~
18 ~~COUNTY.~~

19 ~~25-103.~~

20 ~~(A) (1) NOTHING IN THIS SUBSECTION MAY BE CONSTRUED TO~~
21 ~~REQUIRE AN EMPLOYER TO MAKE A DEDUCTION FROM THE WAGE OF AN~~
22 ~~EMPLOYEE.~~

23 ~~(2) ON WRITTEN REQUEST OF AN EMPLOYEE, AN EMPLOYER MAY~~
24 ~~MAKE A DEDUCTION FROM THE WAGE OF AN EMPLOYEE FOR THE BENEFIT OF A~~
25 ~~PROGRAM ESTABLISHED BY A COUNTY UNDER § 25-102 OF THIS TITLE.~~

26 ~~(3) THE WRITTEN REQUEST PROVIDED BY AN EMPLOYEE UNDER~~
27 ~~PARAGRAPH (2) OF THIS SUBSECTION SHALL INCLUDE:~~

28 ~~(i) THE AMOUNT OF THE DEDUCTION;~~

1 ~~(H) THE COUNTY TO WHICH THE FUNDS SHOULD BE~~
2 ~~DISTRIBUTED UNDER SUBSECTION (C) OF THIS SECTION; AND~~

3 ~~(II) WHETHER THE COMPTROLLER SHOULD REFUND THE~~
4 ~~FUNDS DEDUCTED FROM THE WAGE OF THE EMPLOYEE OR DIVIDE AND~~
5 ~~DISTRIBUTE THE FUNDS EQUALLY AMONG THE REMAINING PROGRAMS~~
6 ~~ESTABLISHED UNDER § 25-102 OF THIS TITLE IN THE EVENT THAT THE COUNTY~~
7 ~~SPECIFIED UNDER ITEM (H) OF THIS PARAGRAPH HAS ENDED THE PROGRAM.~~

8 ~~(B) AN EMPLOYER SHALL PAY TO THE COMPTROLLER ANY FUNDS~~
9 ~~DEDUCTED BY THE EMPLOYER FROM THE WAGE OF AN EMPLOYEE UNDER~~
10 ~~SUBSECTION (A) OF THIS SECTION.~~

11 ~~(C) (1) (i) EVERY 3 MONTHS, THE COMPTROLLER SHALL~~
12 ~~DISTRIBUTE TO THE COUNTIES THE FUNDS THAT WERE PAID TO THE~~
13 ~~COMPTROLLER UNDER SUBSECTION (B) OF THIS SECTION.~~

14 ~~(II) A COUNTY THAT RECEIVES FUNDS UNDER~~
15 ~~SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PAY THE FUNDS INTO THE~~
16 ~~SPECIAL FUND ESTABLISHED UNDER § 25-104 OF THIS TITLE.~~

17 ~~(2) THE AMOUNT OF FUNDS DISTRIBUTED TO A COUNTY UNDER~~
18 ~~PARAGRAPH (1) OF THIS SUBSECTION SHALL EQUAL THE AMOUNT OF FUNDS~~
19 ~~DEDUCTED FROM THE WAGES OF EMPLOYEES WHO HAVE SPECIFIED THE~~
20 ~~COUNTY ON THE WRITTEN REQUEST AS PROVIDED IN SUBSECTION (A) OF THIS~~
21 ~~SECTION LESS ANY AMOUNT DISTRIBUTED TO AN ADMINISTRATIVE ACCOUNT~~
22 ~~UNDER PARAGRAPH (3) OF THIS SUBSECTION.~~

23 ~~(3) EVERY 3 MONTHS, THE COMPTROLLER SHALL DISTRIBUTE,~~
24 ~~FROM THE FUNDS PAID TO THE COMPTROLLER UNDER SUBSECTION (B) OF THIS~~
25 ~~SECTION, THE AMOUNT NECESSARY TO ADMINISTER PARAGRAPH (1) OF THIS~~
26 ~~SUBSECTION IN THE PREVIOUS 3-MONTH PERIOD TO AN ADMINISTRATIVE COST~~
27 ~~ACCOUNT.~~

28 ~~25-104.~~

29 ~~(A) A COUNTY THAT ESTABLISHES A PROGRAM SHALL ESTABLISH A~~
30 ~~SPECIAL FUND TO BE USED TO FUND THE PROGRAM.~~

31 ~~(B) THE PROGRAM SHALL BE FUNDED BY:~~

32 ~~(1) FUNDS DISTRIBUTED TO A COUNTY UNDER § 25-103 OF THIS~~
33 ~~TITLE;~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That §§ 10-208(r) and 10-308(b)(6) of the Tax General Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years beginning after December 31, 2011.~~

The Charter of Baltimore City
Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(67)

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) (I) “EMPLOYER” HAS THE MEANING STATED IN § 3401 OF THE INTERNAL REVENUE CODE.

(II) “EMPLOYER” INCLUDES:

1. THE STATE AND ITS UNITS;

2. A COUNTY AND ITS UNITS; AND

3. A MUNICIPAL GOVERNMENT IN THE STATE.

(3) “NONPROFIT ORGANIZATION” MEANS AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501 OF THE INTERNAL REVENUE CODE.

(4) “PROGRAM” MEANS THE INVESTMENT IN OUR YOUTH (IO-YOUTH) PILOT PROGRAM.

(5) “SUMMER” MEANS THE PERIOD FROM JUNE 1 TO SEPTEMBER 30, INCLUSIVE, OF EACH YEAR.

(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY ESTABLISH AN INVESTMENT IN OUR YOUTH (IO-YOUTH) PILOT PROGRAM.

1 **(2) THE PROGRAM SHALL BE ESTABLISHED AS A QUALIFIED**
2 **ORGANIZATION ELIGIBLE TO RECEIVE TAX-DEDUCTIBLE CHARITABLE**
3 **CONTRIBUTIONS UNDER § 170(C) OF THE INTERNAL REVENUE CODE.**

4 **(3) THE PURPOSE OF THE PROGRAM IS TO PROVIDE SUMMER**
5 **JOBS FOR YOUTHS WHO ARE AT LEAST 14 YEARS OLD AND NOT MORE THAN 18**
6 **YEARS OLD.**

7 **(4) THE PROGRAM SHALL PROVIDE SUMMER JOBS FOR YOUTHS**
8 **BY:**

9 **(I) HIRING YOUTHS TO WORK DURING THE SUMMER FOR**
10 **THE CITY OF BALTIMORE; OR**

11 **(II) PROVIDING GRANTS TO NONPROFIT ORGANIZATIONS**
12 **THAT WILL PROVIDE SUMMER JOBS FOR YOUTHS.**

13 **(5) THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL**
14 **ESTABLISH A COMMITTEE TO CARRY OUT THE PROGRAM.**

15 **(6) THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL**
16 **ESTABLISH A PROCEDURE FOR THE DISPOSITION OF ANY FUNDS REMAINING IN**
17 **THE PROGRAM IN THE EVENT THAT THE PROGRAM IS TERMINATED.**

18 **(7) TO BE ELIGIBLE FOR A GRANT FROM THE PROGRAM, A**
19 **NONPROFIT ORGANIZATION SHALL:**

20 **(I) OPERATE WITHIN THE CITY OF BALTIMORE; AND**

21 **(II) MEET ANY OTHER REQUIREMENT ESTABLISHED UNDER**
22 **THE PROGRAM.**

23 **(8) A NONPROFIT ORGANIZATION THAT RECEIVES A GRANT FROM**
24 **THE PROGRAM MAY NOT USE THE GRANT TO:**

25 **(I) EMPLOY YOUTHS WHO DO NOT RESIDE IN THE CITY OF**
26 **BALTIMORE; OR**

27 **(II) PROVIDE JOBS AT SITES THAT ARE LOCATED OUTSIDE**
28 **OF THE CITY OF BALTIMORE.**

29 **(C) (1) (I) NOTHING IN THIS PARAGRAPH MAY BE CONSTRUED TO**
30 **REQUIRE AN EMPLOYER TO MAKE A DEDUCTION FROM THE WAGE OF AN**
31 **EMPLOYEE.**

1 (II) ON WRITTEN REQUEST OF AN EMPLOYEE, AN
2 EMPLOYER MAY MAKE A DEDUCTION FROM THE WAGE OF AN EMPLOYEE FOR
3 THE BENEFIT OF THE PROGRAM.

4 (III) THE WRITTEN REQUEST PROVIDED BY AN EMPLOYEE
5 UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL INCLUDE THE AMOUNT
6 OF THE DEDUCTION.

7 (2) (I) AN EMPLOYER SHALL:

8 1. DISTRIBUTE QUARTERLY TO THE CITY OF
9 BALTIMORE ANY FUNDS DEDUCTED BY THE EMPLOYER FROM THE WAGE OF AN
10 EMPLOYEE; AND

11 2. REPORT QUARTERLY TO THE CITY OF BALTIMORE
12 THE NAME, ADDRESS, AND OTHER INFORMATION PROVIDED BY THE EMPLOYEE
13 UNDER SUBSECTION (C)(1) OF THIS SECTION.

14 (II) THE AMOUNT OF FUNDS DISTRIBUTED TO THE CITY OF
15 BALTIMORE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL EQUAL THE
16 AMOUNT OF FUNDS DEDUCTED FROM THE WAGES OF EMPLOYEES WHO HAVE
17 SUBMITTED A WRITTEN REQUEST AS PROVIDED IN SUBSECTION (C)(1) OF THIS
18 SECTION.

19 (3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
20 PARAGRAPH, THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL PAY THE
21 FUNDS INTO THE SPECIAL FUND ESTABLISHED UNDER SUBSECTION (D) OF THIS
22 SECTION.

23 (II) IF THE PROGRAM HAS ENDED, THE MAYOR AND CITY
24 COUNCIL OF BALTIMORE SHALL FOLLOW THE PROCEDURE FOR THE
25 DISPOSITION OF FUNDS REMAINING IN THE PROGRAM AS PROVIDED UNDER
26 SUBSECTION (A)(6) OF THIS SECTION.

27 (4) THE CITY OF BALTIMORE MAY RECEIVE A DIRECT DONATION
28 FROM A PERSON FOR THE BENEFIT OF THE PROGRAM.

29 (5) (I) THE CITY OF BALTIMORE SHALL PROVIDE A RECEIPT
30 TO:

31 1. EACH EMPLOYEE WHOSE INFORMATION WAS
32 REPORTED TO THE CITY OF BALTIMORE BY THE EMPLOYER UNDER PARAGRAPH
33 (2) OF THIS SUBSECTION; AND

1 **2. EACH PERSON FROM WHICH THE CITY OF**
 2 **BALTIMORE RECEIVES A DIRECT DONATION UNDER PARAGRAPH (4) OF THIS**
 3 **SUBSECTION.**

4 **(II) A RECEIPT PROVIDED BY THE CITY OF BALTIMORE**
 5 **UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE A STATEMENT**
 6 **THAT THE AMOUNT OF THE DEDUCTION FROM THE EMPLOYEE'S WAGES OR THE**
 7 **AMOUNT OF THE DONATION IS TAX DEDUCTIBLE UNDER § 170(C) OF THE**
 8 **INTERNAL REVENUE CODE.**

9 **(D) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL**
 10 **ESTABLISH A SPECIAL FUND TO BE USED TO FUND THE PROGRAM.**

11 **(2) THE PROGRAM SHALL BE FUNDED BY:**

12 **(I) FUNDS DISTRIBUTED TO THE CITY OF BALTIMORE**
 13 **UNDER SUBSECTION (C) OF THIS SECTION;**

14 **(II) FUNDS APPROPRIATED TO THE PROGRAM BY THE**
 15 **MAYOR AND CITY COUNCIL OF BALTIMORE; AND**

16 **(III) DONATIONS RECEIVED BY THE CITY OF BALTIMORE TO**
 17 **BE USED FOR THE PROGRAM.**

18 **(3) FUNDS IN THE SPECIAL FUND MAY BE USED ONLY FOR**
 19 **FUNDING THE PROGRAM.**

20 SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take
 21 effect October 1, 2012. It shall remain effective for a period of 3 years and, at the end
 22 of September 30, 2015, with no further action required by the General Assembly, this
 23 Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.